

AT A GLANCE: THE EVOLVING ACA



Recent legislative, regulatory and administrative changes

Overview

The next era of health care reform began in January 2017 when, for the first time since the Affordable Care Act (ACA) became law, a Republican-controlled Congress and Administration took office. While there has not been a full repeal and replacement of the ACA to date, health care reform continues to evolve at both the federal and state levels.

The following chart outlines legislative, regulatory and executive actions that have been taken to modify or repeal parts of the ACA or related federal provisions since January 2017. For more details on these changes, visit our news alerts page on www.InformedonReform.com.

ACTION / MODIFICATION	EFFECTIVE DATE	IMPACT / MORE INFORMATION
Impacts to all markets		
Association Health Plans (AHPs)	Staggered effective dates, beginning 9/1/18, based on type of AHP	<ul style="list-style-type: none">▶ Allows more employers to form AHPs, based on the definition of Employer and “commonality of interest” test (same trade, industry line of business or profession or same geography – even across state lines)▶ AHPs will no longer be subject to certain ACA rules
Essential Health Benefits (EHB) State Benchmark Plans	Effective 1/1/20	<ul style="list-style-type: none">▶ Beginning in 2020, states have greater flexibility in selecting a benchmark plan applicable to the individual and small group insurance markets
Health Reimbursement Accounts (HRAs) <i>No proposed rules to date, included in Oct. 12, 2017 Executive Order</i>	TBD	<ul style="list-style-type: none">▶ Administration requested agencies to consider: Making employer HRA contributions tax deductible; allowing HRA funds to be used for premium reimbursement; and allowing HRAs to be used in conjunction with non-group coverage
Individual Mandate repealed	Effective 1/1/19	<ul style="list-style-type: none">▶ Mandate effectively repealed by zeroing out penalty, beginning in 2019▶ Individuals must continue to maintain insurance in 2018 or be subject to a penalty

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Medical Device Tax suspended	Suspended for 2018 and 2019	<ul style="list-style-type: none"> Previously suspended for 2017, this tax has no direct impact on health plans
Short-Term, Limited Duration Insurance (STLDI) plans <i>Proposed rules</i>	TBD	<ul style="list-style-type: none"> Would allow STLDI plans to have a maximum coverage period of up to 12 months Policies are not required to follow several ACA mandates
Impacts to the group market		
Americans with Disabilities Act (ADA) and Genetic Information Nondiscrimination Act (GINA) wellness incentive rules vacated	Effective 1/1/19	<ul style="list-style-type: none"> On Dec. 20, 2017, the D.C. District Court issued an order, in the matter of AARP vs. EEOC, to vacate the EEOC's final rules on wellness incentives under the ADA and GINA, effective Jan. 1, 2019 After Jan. 1, 2019, the ACA incentive rules will be the primary requirements in effect until EEOC releases new rules
Cadillac Tax delayed	Delayed until 1/1/22	<ul style="list-style-type: none"> 40% excise tax on high-cost employer plans delayed two additional years to 2022 When in effect, the tax will be indexed to the chained Consumer Price Index (CPI) instead of the regular CPI (the previous metric), which makes it likely that more employer-sponsored plans would trigger the Cadillac tax sooner
Contraception coverage exemption expanded	TBD	<ul style="list-style-type: none"> Interim final rules (IFRs) issued Oct. 6, 2017 expanded exemptions for group health plan sponsors from covering contraceptive services to employers with religious or moral objections IFRs also removed requirement for qualified employers to complete a self-certification process, which could result in consumers being liable to pay 100% of contraceptive services On Dec. 15, 2017, a federal court temporarily blocked the IFRs and maintains the status quo and rules in place before Oct. 6, 2017 until the injunction is resolved
Health Insurance Industry Fee (HIIF) suspended	Suspended for 2019	<ul style="list-style-type: none"> Previously suspended for 2017, this fee is in effect for 2018 and will be suspended again in 2019 Impacts insured health plans only
Impacts to the Individual or Medicare market		
Cost-Sharing Reduction (CSR) payments discontinued	Effective 10/12/17	<ul style="list-style-type: none"> Administration discontinued CSR payments to insurers Primarily affects insurers who are required by law to offer CSRs to eligible customers of public Marketplace plans, even if they are not reimbursed
Individual Marketplace stabilization rules	Effective 6/19/17	<ul style="list-style-type: none"> Makes changes to public Marketplaces, including annual open enrollment period, guaranteed availability, network adequacy and special enrollment periods
Medicare Part D “Donut Hole” closure accelerated	Effective 1/1/19	<ul style="list-style-type: none"> Medicare Part D plans have a coverage gap (or “donut hole”), which has been narrowing each year since 2010 under the ACA Originally scheduled to end in 2020, it will now close in 2019

ACA largely remains in effect

It is important to remember that the majority of the ACA remains in effect, and ongoing compliance is required unless and until official guidance to the contrary is issued. As employers plan their near- and long-term health benefit strategies, they should ensure ongoing compliance with key ACA provisions, such as:

- › Employer Mandate (Minimum Value and Affordability)
- › Essential Health Benefits (EHBs) and cost-sharing limits
- › Fees and taxes (CERF and HIF)
- › Nondiscrimination requirements
- › Reporting requirements
- › Summary of Benefits and Coverage (SBCs)
- › Wellness program rules

As a reminder, the impact of ACA provisions vary for every group plan and employer, depending on employer size, how plans are funded and whether or not the plan has grandfathered status.

Available online resources

Cigna has several resources to help clients and broker partners stay up to date as health care reform continues to evolve, including:

› **InformedonReform.com**

This award-winning website is our cornerstone resource for health care reform, offering the latest news and updates, and featuring **fact sheets**, **breaking news alerts**, an **interactive timeline** and more.

› **YourACARoadmap.com**

Get a personalized snapshot of your annual responsibilities and applicable deadlines as an employer under the ACA with this compliance timeline tool.

› **Online toolkits**

See our toolkits for the most up-to-date information and “how-to’s” on Reporting Requirements and the Comparative Effectiveness Research Fee.

- › <https://www.Cigna.com/reporting-requirements-toolkit>
- › <https://www.Cigna.com/cerf-toolkit>

